GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1800
ANSWERED ON:04.12.2006
TARGET FOR PRODUCTION OF FERTILIZERS
Shiwankar Shri Maha Deo Rao

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the target fixed for production of fertilizers has been achieved by all the fertilizer units in the country during the first six months of the current year;

(b) if not, the reasons therefor;

(c) the details of the subsidy provided to the fertilizers producing units during 2005-06 and the percentage increased in the subsidy amount during 2006-07 as compared to the previous year?

(d) whether the Government is considering an alternative calculation method for providing more subsidy on fertilizers in the country; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K.HANDIQUE)

(a) & (b) For the first six months of the current year the target for production of fertilizers by all fertilizers units was fixed at 57.24 LMT of Nitrogen and 23.45 LMT of Phosphate. As against this, the production achieved was 55.39 LMT of Nitrogen and 21.36 LMT of Phosphate. The shortfall in production is primarily attributable to heavy rains and floods in Gujarat leading to a disruption in gas supply as also the limited availability of phosphoric acid and temporary suspension of production in Gujarat State Fertilizers & Chemicals Co. Ltd.(GSFC)- Baroda.

(c) The total subsidy disbursed during 2005-06 was Rs. 18299 crores which included Rs. 11749 crores subsidy on Urea and Rs. 6550 crores subsidy on decontrolled phosphatic and potassic fertilizers. The budget allocation for the payment of concession/subsidy during 2006-07 was Rs. 17252.91 crores. In addition to it, an amount of Rs. 1500 crores has also been provided in the first supplementary grant making the total availability of funds of Rs. 18752.91 crores. As per the revised estimate, the total requirement of funds for fertilizer subsidy during 2006-07 is Rs. 32952.94 crores which includes the carry over liability of Rs. 5913.94 crores of the previous years.

(d) No, Sir.

(e) Does not arise